

IN THE UNITED STATE DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CANAL INDEMNITY COMPANY, §  
A SOUTH CAROLINA CORPORATION, §

Plaintiff(s) §

v. §

COASTAL TRANSPORT CO., INC.; A §  
TEXAS CORPORATION; CALJET II, LLC; §  
AN ARIZONA LIMITED LIABILITY §  
COMPANY; CALJET OF AMERICA, LLC, §  
AN ARIZONA LIMITED LIABILITY §  
COMPANY; CHEVRON U.S.A., INC., AN §  
PENNSYLVANIA CORPORATION; §  
VALERO MARKETING AND SUPPLY §  
COMPANY; A DELAWARE §  
CORPORATION; CIRCLE K TERMINAL, §  
LLC; A DELAWARE LIMITED LIABILITY §  
COMPANY; NATIONAL INTERSTATE §  
INSURANCE COMPANY, AN OHIO §  
CORPORATION; PHILLIPS 66, A §  
DELAWARE CORPORATION; AND PRO- §  
PETROLEUM, INC., A TEXAS §  
CORPORATION, §

Defendants. §

CIVIL ACTION NO. 4:19-cv-2945

**DEFENDANT, NATIONAL INTERSTATE INSURANCE**  
**COMPANY'S ORIGINAL ANSWER**

TO THE HONORABLE JUDGE OF SAID COURT:

COMES NOW, Defendant, National Interstate Insurance Company, (herein Defendant)  
in the above-styled and numbered cause and files its Original Answer to Plaintiff, Canal  
Indemnity Company's Complaint and respectfully shows the Court the following:

## **INTRODUCTION**

1. Defendant admits the allegations of paragraph 1 of plaintiff's complaint with respect to all Defendants with the exception of National Interstate Insurance Company. Defendant denies that this case involves a dispute relating to whether National Interstate Insurance Company is entitled to coverage as an additional insured under liability policies issued by Plaintiff.

2. Defendant admits the allegations of paragraph 2 with respect to all Defendants except National Interstate Insurance Company. Defendant denies the allegations of paragraph 2 with respect to Defendant, National Interstate Insurance Company.

3. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in paragraph 3 of Plaintiff's complaint, and, therefore, the allegations are denied.

4. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in paragraph 4 of Plaintiff's complaint, and, therefore, the allegations are denied.

5. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in paragraph 5 of Plaintiff's complaint, and, therefore, the allegations are denied.

6. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in paragraph 6 of Plaintiff's complaint, and, therefore, the allegations are denied.

7. Defendant admits the allegations of paragraph 7 of Plaintiff's complaint.

8. The statements contained in paragraph 8 do not require a response.

### **THE PARTIES**

9. Defendant admits the allegations of paragraph 9 of the complaint.
10. Defendant admits the allegations of paragraph 10 of the complaint.
11. Defendant admits the allegations of paragraph 11 of the complaint.
12. Defendant admits the allegations of paragraph 12 of the complaint.
13. Defendant admits the allegations of paragraph 13 of the complaint.
14. Defendant admits the allegations of paragraph 14 of the complaint.
15. Defendant admits the allegations of paragraph 15 of the complaint.
16. Defendant admits the allegations of paragraph 16 of the complaint.
17. Defendant admits the allegations of paragraph 17 of the complaint.
18. Defendant denies the allegations of paragraph 18 of the complaint. According to information from the Texas Secretary of State, Pro-Petroleum, Inc. has been converted to ProPetroleum, LLC, a Delaware limited liability company.
19. Defendant admits the allegations of paragraph 19 of the complaint.

### **JURISDICTION AND VENUE**

20. Defendant admits the allegations of paragraph 20 of the complaint.
21. Defendant admits the allegations of paragraph 21 of the complaint.

### **ACTUAL BACKGROUND OF UNDERLYING LAWSUIT**

22. The statements contained in paragraph 22 of the complaint do not require a response.
23. Defendant admits the allegations of paragraph 23 of the complaint.

24. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in paragraph 24 of Plaintiff's complaint, and, therefore, the allegations are denied.

25. Defendant admits the allegations of paragraph 25 of the complaint with respect to all Defendants except National Interstate Insurance Company.

Defendant denies the allegations of paragraph 25 of the complaint with respect to National Interstate Insurance Company.

26. Defendant admits the allegations of paragraph 26 of the complaint.

27. Defendant admits the allegations of paragraph 27 of the complaint.

28. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in paragraph 28 of Plaintiff's complaint, and, therefore, the allegations are denied.

29. Defendant admits the allegations of paragraph 29 of the complaint.

30. Defendant admits the allegations of paragraph 30 of the complaint.

31. Defendant admits the allegations of paragraph 31 of the complaint with respect to the Defendants with the exception of National Interstate Insurance Company. Defendant denies the allegations of paragraph 31 with respect to Defendant National Interstate Insurance Company.

32. Defendant admits the allegations of paragraph 32 of the complaint with respect to the Defendants with the exception of National Interstate Insurance Company. Defendant denies the allegations of paragraph 32 with respect to Defendant National Interstate Insurance Company.

33. Defendant admits the allegations of paragraph 33 of the complaint with respect to the Defendants with the exception of National Interstate Insurance Company. Defendant denies the allegations of paragraph 33 with respect to Defendant National Interstate Insurance Complaint.

34. Defendant admits the allegations of paragraph 34 of the complaint with respect to the Defendants with the exception of National Interstate Insurance Company. Defendant denies the allegations of paragraph 34 with respect to Defendant National Interstate Insurance Complaint.

35. Defendant admits the allegations of paragraph 35 of the complaint.

#### **THE CANAL INSURANCE POLICIES**

36. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 36, and, therefore, the allegations are denied.

37. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 37, and, therefore, the allegations are denied.

38. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 38, and, therefore, the allegations are denied.

39. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 39, and, therefore, the allegations are denied.

#### **THE AUTO POLICIES**

40. The statements in paragraph 40 are a conclusion of law and do not require an answer.

41. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 41, and, therefore, the allegations are denied.

42. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 42, and, therefore, the allegations are denied.

43. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 43, and, therefore, the allegations are denied.

44. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 44, and, therefore, the allegations are denied.

45. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 45, and, therefore, the allegations are denied.

46. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 46, and, therefore, the allegations are denied.

47. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 47, and, therefore, the allegations are denied.

48. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 48, and, therefore, the allegations are denied.

49. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 49, and, therefore, the allegations are denied.

50. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 50, and, therefore, the allegations are denied.

51. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 51, and, therefore, the allegations are denied.

52. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 52, and, therefore, the allegations are denied.

53. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 53, and, therefore, the allegations are denied.

54. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 54, and, therefore, the allegations are denied.

55. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 55, and, therefore, the allegations are denied.

56. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 56, and, therefore, the allegations are denied.

57. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 57, and, therefore, the allegations are denied.

58. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 58, and, therefore, the allegations are denied.

59. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 59, and, therefore, the allegations are denied.

60. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 60, and, therefore, the allegations are denied.

61. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 61, and, therefore, the allegations are denied.

62. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 62, and, therefore, the allegations are denied.

63. The statements contained in paragraph 63 of the complaint are statements of law and do not require an answer.

64. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 64, and, therefore, the allegations are denied.

65. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 65, and, therefore, the allegations are denied.

66. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 66, and, therefore, the allegations are denied.

67. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 67, and, therefore, the allegations are denied.

68. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 68, and, therefore, the allegations are denied.

69. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 69, and, therefore, the allegations are denied.

70. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 70, and, therefore, the allegations are denied.

71. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 71, and, therefore, the allegations are denied.

72. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 72, and, therefore, the allegations are denied.

73. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 73, and, therefore, the allegations are denied.

74. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 74, and, therefore, the allegations are denied.



75. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 75, and, therefore, the allegations are denied.

76. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 76, and, therefore, the allegations are denied.

77. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 77, and, therefore, the allegations are denied.

78. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 78, and, therefore, the allegations are denied.

79. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 79, and, therefore, the allegations are denied.

80. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 80, and, therefore, the allegations are denied.

81. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 81, and, therefore, the allegations are denied.

82. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 82, and, therefore, the allegations are denied.

83. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 83, and, therefore, the allegations are denied.

84. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 84, and, therefore, the allegations are denied.

85. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 85, and, therefore, the allegations are denied.

86. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 86, and, therefore, the allegations are denied.

87. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 87, and, therefore, the allegations are denied.

88. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 88, and, therefore, the allegations are denied.

### **CGL POLICIES**

89. The statements contained in paragraph 89 of the complaint are statements of law and do not require an answer.

90. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 90, and, therefore, the allegations are denied.

91. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 91, and, therefore, the allegations are denied.

92. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 92, and, therefore, the allegations are denied.

93. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 93, and, therefore, the allegations are denied.

94. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 94, and, therefore, the allegations are denied.

95. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 95, and, therefore, the allegations are denied.

96. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 96, and, therefore, the allegations are denied.

97. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 97, and, therefore, the allegations are denied.

98. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 98, and, therefore, the allegations are denied.

99. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 99, and, therefore, the allegations are denied.

100. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 100, and, therefore, the allegations are denied.

101. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 101, and, therefore, the allegations are denied.

102. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 102, and, therefore, the allegations are denied.

103. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 103, and, therefore, the allegations are denied.

104. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 104, and, therefore, the allegations are denied.

105. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 105, and, therefore, the allegations are denied.

106. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 106, and, therefore, the allegations are denied.

107. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 107, and, therefore, the allegations are denied.

108. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 108, and, therefore, the allegations are denied.

109. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 109, and, therefore, the allegations are denied.

110. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 110, and, therefore, the allegations are denied.

### **FIRST COUNT FOR RELIEF**

111. Defendant reasserts its responses from paragraphs from 1 through 110 above as if fully set forth herein.

112. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 112 with respect to whether a controversy exists between Plaintiff and Defendants other than National Interstate Insurance Company. Defendant denies that there is any controversy regarding whether Plaintiff is obligated to provide a defense to National Interstate Insurance Company with respect to the underlying lawsuit.

113. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 113, and, therefore, the allegations are denied.

114. In paragraph 114 of the complaint, Plaintiff simply states its desire for a declaration of its rights, and no response is required.

115. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 115, and, therefore, the allegations are denied.

116. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 116, and, therefore, the allegations are denied.

### **SECOND COUNT FOR RELIEF**

117. Defendant reasserts and incorporates by reference its responses to paragraphs 1 through 111 above as if fully set forth herein.

118. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 118 with respect to whether a controversy exists between Plaintiff and Defendants other than National Interstate Insurance Company. Defendant denies that there is any controversy regarding whether Plaintiff is obligated to provide a defense to National Interstate Insurance Company with respect to the underlying lawsuit.

119. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 119, and, therefore, the allegations are denied.

120. In paragraph 120 of the complaint, Plaintiff simply states its desire for a declaration of its rights, and no response is required.

121. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 121, and, therefore, the allegations are denied.

122. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 122, and, therefore, the allegations are denied.

### **THIRD CLAIM FOR RELIEF**

123. Defendant reasserts and incorporates by reference its responses to paragraphs 1 through 111 above as if fully set forth herein.

124. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 124 with respect to whether a controversy exists between Plaintiff and Defendants other than National Interstate Insurance Company. Defendant denies

that there is any controversy regarding whether Plaintiff is obligated to provide a defense to National Interstate Insurance Company with respect to the underlying lawsuit.

125. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 125, and, therefore, the allegations are denied.

126. In paragraph 126 of the complaint, Plaintiff simply states its desire for a declaration of its rights, and no response is required.

127. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 127, and, therefore, the allegations are denied.

128. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 128, and, therefore, the allegations are denied.

#### **FOURTH CLAIM FOR RELIEF**

129. Defendant reasserts and incorporates by reference its responses to paragraphs 1 through 111 above as if fully set forth herein.

130. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 130 with respect to whether a controversy exists between Plaintiff and Defendants other than National Interstate Insurance Company. Defendant denies that there is any controversy regarding whether Plaintiff is obligated to provide a defense to National Interstate Insurance Company with respect to the underlying lawsuit.

131. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 131, and, therefore, the allegations are denied.

132. In paragraph 132 of the complaint, Plaintiff simply states its desire for a declaration of its rights, and no response is required.

133. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 133, and, therefore, the allegations are denied.

134. Defendant lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 134, and, therefore, the allegations are denied.

### **CONCLUSION**

WHEREFORE, PREMISES CONSIDERED, Defendant National Interstate Insurance Company, requests that the Court will make judicial determination and declare the obligations of Plaintiff, Canal Indemnity Company, to defend and indemnify the Defendants in this action. Furthermore, Defendant National Interstate Insurance Company, prays for such other and further relief as this Court may deem just and proper.

Respectfully submitted,

MARTIN, DISIERE, JEFFERSON & WISDOM, LLP

By: /s/ Christopher W. Martin

Christopher W. Martin

State Bar No. 13057620

Federal ID No. 13515

E-Mail: [martin@mdjwlaw.com](mailto:martin@mdjwlaw.com)

Mark E. Lewis

State Bar No. 12299100

Federal ID No. 12799

E-Mail: [lewis@mdjwlaw.com](mailto:lewis@mdjwlaw.com)

808 Travis, Suite 1100

Houston, Texas 77002

Telephone: 713-632-1700

Facsimile: 713-222-0101

ATTORNEYS FOR DEFENDANT  
NATIONAL INTERSTATE INSURANCE  
COMPANY

**CERTIFICATE OF SERVICE**

I hereby certify that on the 9<sup>th</sup> day of September, 2019, a true copy of this document was electronically filed and that the counsel of record noted below designated as counsel to receive electronic service of all instruments filed herein were served on this date.

Brian S. Martin  
Email: bmartin@thompsoncoe.com  
Rodrigo Garcia, Jr.  
Email: dgarcia@thompsoncoe.com  
THOMPSON, COE, COUSINS & IRONS, L.L.P.  
One Riverway, Suite 1400  
Houston, Texas 77056  
**Attorneys for Plaintiff Canal Indemnity Company**

/s/ Mark E. Lewis

Mark E. Lewis